53930-2 R
9/21/89

Vol. XLV No. 6
June 1989

MICHIGAN LABOR MARKET REVIEW

JOB SERVICE
Michigan Employment Security Commission

JOBLESS RATE CONTINUES TO RISE

The Michigan unemployment rate climbed by 1.1 percentage points as the jobless rate rose from 6.4 percent in May to 7.5 percent in June. The rate increase represents 58,000 additional individuals out of work, as total statewide residents seeking employment rose to 351,000. The increase in joblessness was primarily a result of summer jobseekers entering the labor force and seasonal declines in school employment. Total employment in June registered an increase as the number of employed state residents surged upward by 42,000 to reach 4,327,000. Additionally, the civilian labor force advanced to 4,678,000, a jump of 100,000. The statewide rate still remains two full percentage points above the national rate of 5.5 percent. Compared with a year ago, employment in Michigan has advanced by 42,000, while the size of the labor force has expanded by 65,000. In June 1988, the total number of persons out of work amounted to 328,000, representing an unemployment rate of 7.1 percent.

JOB LEVEL SLIPS

Total nonagricultural wage and salary employment in Michigan declined as industry jobs slipped to 3,882,000 in June. Employment opportunities fell by approximately 7,000 as losses were centered in the service producing sectors of the economy. Total employment in the goods producing industries increased by 2,000 primarily as seasonal construction gains offset automotive losses. Service producing employment dropped by 8,000 to 2,780,000 in June, as educational facilities trimmed staffs for the summer recess period. Public sector positions decreased by 20,000 as a result. Since June 1988, industry employment in Michigan has increased by 66,000 positions or 1.7 percent. Approximately 74,000 service producing jobs have been added throughout the year, while goods producing employment dipped by 7,000.

Civilian Labor Force, Employment, and Unemployment Estimates

State of Michigan

ITEM	JUN 1989	MAY 1989	APR 1989	JUN 1988
PLACE OF RESIDENCE				
Civilian Labor Force	4678	4578	4537	4613
Employment	4327	4285	4259	4285
Unemployment	351	293	278	328
Rate	7.5	6.4	6.1	7.1
PLACE OF WORK				
Wage and Salary Employment	3882	3889	3853	3816
Goods Producing Industries	1103	1101	1091	1110
Construction and Mining	151	148	138	152
Mining	11	11	11	11
Construction	140	137	127	141
Special trade Contractors	90	88	83	92
Other Construction	51	49	44	50
Manufacturing	951	953	953	958
Durable Goods	726	731	732	731
Lumber and Wood Products	16	15	15	15
Furniture and Fixtures	35	34	35	34
Stone, Clay and Glass Products	21	20	20	19
Metals	164	166	167	167
Primary Metals	46	47	47	48
Fabricated Metals	118	120	120	119
Nonelectrical Machinery	124	124	124	119
Electrical Machinery	35	36	35	35
Transportation Equipment	307	312	313	319
Motor Vehicles and Equipment	290	296	296	300
Other Transportation Equipment	17	17	17	19
Other Durable Goods	24	23	23	23
Nondurable Goods	225	222	221	227
Food and Kindred Products	43	41	40	46
Textiles and Apparel	21	21	21	22
Paper and Allied Products	21	21	21	22
Printing and Publishing	44	43	43	42
Chemicals and Petroleum	45	44	44	44
Other Nondurable Goods	51	51	51	51
Rubber and Plastic Prod.	49	49	49	48
Leather Products	3	3	3	2
Service Producing Industries	2780	2788	2762	2706
Trans., Comm. and Utilities	156	155	153	158
Transportation and Utilities	122	121	120	122
Communications	34	34	33	35
Wholesale Trade	198	197	194	189
Durable Goods	126	126	125	121
Nondurable Goods	72	71	70	68
Retail Trade	726	719	705	709
General Merchandise Stores	102	101	99	99
Food Stores	110	109	107	104
Automotive Dealers and Services	79	79	78	80
Eating and Drinking Places	251	247	238	247
Other Retail Trade	183	184	182	179
Finance, Insurance and Real Estate	190	188	187	187
Finance	97	96	96	95
Insurance and Real Estate	93	92	91	93
Services	884	883	875	855
Business Services	193	192	189	185
Health Services	283	283	282	280
Other Services	408	408	404	391
Government	626	646	648	608
Federal	61	60	60	61
State	152	159	169	144
Local	413	427	420	403

CIVILIAN LABOR FORCE data are based on the monthly Current Population Survey of the U.S. Bureau of Labor Statistics - 1988 Benchmark.
WAGE AND SALARY EMPLOYMENT is based on a monthly sample of employing establishments as part of the cooperative federal-state Current Employment Statistics program - March 1988 Benchmark.

CLAIMS ACTIVITY

The number of individuals collecting regular unemployment benefits decreased for the fourth consecutive month in June. The regular benefits claims load averaged 84,402 per week during the month, approximately 7,481 less than the May total.

The eight percent decrease was primarily due to a stable economy. In June 1988, the number of claimants drawing benefits under the regular benefit program averaged 97,035.

WEEKLY CLAIMS FOR UNEMPLOYMENT INSURANCE

Week Ending	Michigan			Detroit		
	Total	Initial	Continued	Total	Initial	Continued
June 03, 1989	96,300	11,800	84,500	46,000	5,400	40,600
June 10, 1989	104,300	15,300	89,000	50,700	7,700	43,000
June 17, 1989	98,800	13,200	85,600	46,200	5,400	40,800
June 24, 1989	109,300	21,000	88,300	56,400	12,900	43,500

SLIGHT RISE IN AREA PRICES

Consumer prices in the Detroit metropolitan area increased from 121.7 in April to 122.1 in June. The increase in Detroit area prices was primarily due to higher costs for housing and transportation. Prices in the area climbed by 5.8 percent since June 1988, when the consumer price index stood at 115.4. At the national level, the cost of living advanced by two-tenths of a percent to reach 124.1 during the month.

The higher national prices were also due to additional costs for transportation. Between June 1988 and June 1989, national consumer prices increased by 5.2 percent. One year ago, the national index registered 118.0. Note: Beginning in January 1987, the Consumer Price Indexes were shifted to a new reference base year. All indexes expressed on a 1967=100, were rebased to 1982-1984=100.

HOURS AND EARNINGS

The average workweek of Michigan workers in manufacturing industries decreased to 43.0 hours in June. The decrease occurred primarily as a result of fewer hours worked by individuals in the fabricated metals industry.

During the month average hourly earnings rose by four cents to $13.65, while average weekly earnings decreased by $1.00 to total $586.95. In June 1988, earnings averaged $13.52 an hour or $593.53 per week for a 43.9 hour workweek.

MICHIGAN'S HOURS AND EARNINGS

Industry	Average Weekly Earnings a/			Average Weekly Hours a/			Average Hourly Earnings a/		
	Jun 1989	May 1989	Jun 1988	Jun 1989	May 1989	Jun 1988	Jun 1989	May 1989	Jun 1988
TOTAL MANUFACTURING	$586.95	$587.95	$593.53	43.0	43.2	43.9	$13.65	$13.61	$13.52
DURABLE GOODS	620.06	622.29	631.09	43.3	43.7	44.6	14.32	14.24	14.15
Primary Metal Products	611.16	613.94	624.51	44.0	44.2	44.8	13.89	13.89	13.94
Fabricated Metal Products	569.19	586.52	597.61	42.1	43.0	44.3	13.52	13.64	13.49
Nonelectrical Machinery	599.40	597.16	597.19	44.4	44.3	44.6	13.50	13.48	13.39
Electrical Machinery	509.18	498.24	545.09	44.2	43.1	44.9	11.52	11.56	12.14
Motor Vehicles & Equip.	746.54	739.78	747.00	44.2	44.7	45.8	16.89	16.55	16.31
NONDURABLE GOODS	473.05	469.66	469.12	41.9	41.6	41.7	11.29	11.29	11.25
Contract Construction	618.58	647.61	633.77	39.3	40.4	40.6	15.74	16.03	15.61
Department Stores	189.06	186.84	176.58	27.4	27.0	28.9	6.90	6.92	6.11

a/ Average weekly and hourly earnings are computed from aggregates of individual establishment reports utilizing the total amount paid to production workers and total production hours. Average weekly and hourly earnings differ from weekly and hourly rates in that they are affected by overtime wage rates, part-time earnings, the length of the workweek, etc.

Note: *Current month data are preliminary.*

CIVILIAN LABOR FORCE, EMPLOYMENT AND UNEMPLOYMENT ESTIMATES
JUNE 1988 (Preliminary)

Area	Civilian Labor Force	Total Employment	Total Unemployment	Unemployment Rate
United States	125,569,000	118,719,000	6,850,000	5.5
Michigan	4,678,000	4,327,000	351,000	7.5
Major Labor Markets				
Ann Arbor MSA	162,800	154,700	8,100	5.0
Battle Creek MSA	66,200	60,700	5,500	8.3
Benton Harbor MSA	81,100	74,800	6,300	7.8
Detroit MSA	2,245,000	2,074,000	171,000	7.6
Flint MSA	189,800	170,900	18,900	10.0
Grand Rapids MSA	368,800	347,900	21,000	5.7
Jackson MSA	67,100	62,200	5,000	7.4
Kalamazoo MSA	119,600	112,800	6,800	5.7
Lansing MSA	250,000	234,700	15,400	6.1
Muskegon MSA	69,100	62,400	6,700	9.7
Saginaw-Bay-Midland MSA	186,100	171,900	14,200	7.6
Upper Peninsula LMA	139,900	129,200	10,700	7.6
Major Counties (15,000+)				
Allegan	57,725	54,800	2,925	5.1
Barry	23,325	21,625	1,675	7.2
Bay	53,775	49,225	4,550	8.5
Branch	18,275	17,125	1,150	6.3
Cass	23,500	21,650	1,850	7.9
Chippewa	15,250	13,875	1,350	8.9
Clinton	31,000	29,150	1,850	5.9
Delta	16,600	15,350	1,250	7.5
Eaton	54,525	50,950	3,575	6.5
Grand Traverse	37,450	34,875	2,575	6.9
Gratiot	18,300	16,725	1,575	8.6
Hillsdale	20,275	18,550	1,725	8.5
Huron	17,050	15,225	1,825	10.7
Ingham	164,500	154,550	9,950	6.0
Ionia	19,600	17,575	2,025	10.3
Isabella	28,975	27,450	1,525	5.3
Kent	271,300	255,275	16,025	5.9
Lapeer	34,450	31,100	3,350	9.7
Lenawee	44,325	40,675	3,650	8.2
Livingston	55,125	52,000	3,125	5.7
Macomb	387,100	362,025	25,075	6.5
Marquette	29,450	27,225	2,225	7.5
Midland	35,350	33,300	2,050	5.8
Monroe	65,775	60,550	5,225	7.9
Montcalm	24,600	22,475	2,125	8.6
Newaygo	18,150	16,525	1,650	9.0
Oakland	597,400	562,250	35,150	5.9
Ottawa	97,525	92,575	4,950	5.1
Saginaw	96,950	89,350	7,600	7.8
St. Clair	67,800	61,850	5,950	8.8
St. Joseph	27,700	24,825	2,875	10.4
Sanilac	20,850	18,675	2,175	10.4
Shiawassee	34,550	31,350	3,175	9.2
Tuscola	24,425	21,875	2,525	10.4
Van Buren	34,050	31,075	2,975	8.7
Wayne	1,037,675	944,300	93,400	9.0

MICHIGAN EMPLOYMENT
SECURITY COMMISSION
7310 WOODWARD
DETROIT, MICHIGAN 48202

POSTAGE AND FEES PAID
EMPLOYMENT SECURITY MAIL

OFFICIAL BUSINESS
PENALTY FOR PRIVATE
USE $300

JOB SERVICE
Michigan Employment Security Commission

CONGRESSIONAL INFORMATION SER.
ATTN: SRI
4520 EAST-WEST HIGHWAY
BETHESDA, MARYLAND 20814

NL 2

ADDRESS CHANGE

☐ Remove from mailing list

☐ Change as shown

Please send this form and attached label to the Michigan Employment Security Commission; Bureau of Research and Statistics; 7310 Woodward Avenue; Detroit, Michigan 48202